

## REMARKS

### Status of the Claims

- Claims 1, 3-12, 14-17 and 20-26 are pending in the Application.
- Claims 1, 3-12, 14-17 and 20-26 are rejected by the Examiner.
- No claims are amended in the present response.

### Claim Rejections Pursuant to 35 U.S.C. §103 (a)

Claims 1, 5, 8, 16-17, 23-24 and 26 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Story, Jr. et al. (U.S. Publ No. US 2002/0046181 A1) in view of Benson et al. (U.S. Patent No. 6,678,665 B1) and Hurtado et al. (U.S. Patent No. 6,418,421 B1) and in further view of Biddle et al. (U.S. Patent Publication No. US 2002/0107809 A1). Applicants respectfully traverse the rejection.

Story et al. teaches a method and apparatus for digital content license management. A license having a cardinality is created by a license management device. The license has an associated cardinality. The license is stored in one or more playback devices. The number of playback devices associated having playback licenses is based, at least in part, on the cardinality. The license is included in digital content. The playback devices are enabled to playback the digital content including the license. In one embodiment, a single license can be used to authorize playback from multiple content providers. (Abstract)

Applicant notes that Story et al. teaches that the license is included in the digital content (Abstract, Figure 6, Figure 7, paragraph 0005, 0051, 0052, and Claims 1, 11, and 21). Applicant notes that the storing of the license into the digital content is not only taught often in Story et al., it is also an element in every independent claim of Story et al. (See Claims 1, 11, and 21). Applicant concludes that this is a major operational principle of Story et al. Also, Story et al. teaches that playback devices store multiple licenses, which allows playback devices to belong to multiple sets of playback devices authorized to play back various digital content. (Abstract). Applicant submits that this multiple license storage aspect is also an important principle of operation of Story et al. because it too is taught in the specification and is recited in every independent claim (Claims 1, 11, and 21) of Story et al.

Applicant also notes that Story et al. does not teach or suggest using a private and public key pair although it teaches using “encryption” in paragraph 0052. The Examiner states on page 5 of the present Office Action, dated 3/29/06, concerning the applicability of Story et al. to Claim 1 that “...it would be obvious that the second device receives the second key pair different from the first key pair because it would prevent an authorized copy of digital content”. However, it is not apparent to the Applicant that Story et al. contemplates the use of a different “encryption” scheme using different key pairs for different playback devices because Story et al. does not even teach the use of keys. Applicant can find no teaching in Story et al. that a different encryption scheme is used between any of the playback devices. Story et al. teaches generating a different cardinality, but not a different encryption tied to each of the playback devices. Accordingly, Applicant concludes that there is no teaching of separate encryption mechanisms for playback devices involved in Story et al. Also, since encryption in Story et al. is not defined, Applicant believes that “encryption” in Story et al. need not be accomplished using key pairs at all. This is in distinction to Claim 1 which recites elements including a different key pair for a first and second device.

Concerning the use of Benson et al., Applicant notes that page 5 of the present Office Action states that “...Benson teaches generating a public and private key pair and the first key pair is associated with the second key pair (Benson Col. 11 lines 66 – col. 12 lines 23)”. Applicant notes that Claim 1 recites (in part): “...receiving a second key pair associated with a second of said plurality of devices, said second key pair being different from said first key pair; creating a second digital license bound to said second device using said second key pair, said second digital license being based on said first digital license...”. Applicant notes that there is no mention of key pairs being mutually associated in the recitation of Claim 1. Also, Applicant notes that Benson et al. does not teach anything about a encrypting a license that is bound to a device as recited in Claim 1. Applicant generally questions the use of Benson et al. as it relates to the recitation of Claim 1 in terms of a digital license bound to a device. Applicant thus questions the stated motivation to combine since there is apparently no direct relationship to the terms recited in Claim 1.

Hurtado et al. teaches a system for tracking usage of digital content on user devices. Applicant notes that the digital content is transferred in a Content SC and the digital license is contained in a License SC (See Figure 1D, items 148 and 147 respectively). Applicant notes

that these two SCs are separate entities (See also items 602 and 660 of Figure 6). Hurtado et al. teaches at col. 26, lines 55-65 how the Content SC and License SC are used. Hurtado et al. states: "After receiving the License SC(s) 660, the End-User Device(s) 109 decrypts the Symmetric Key 623 and the Transaction Data 642 previously received from the Clearinghouse(s) 105 and requests the Content SC(s) 630 (step 607) from a Content Hosting Site(s) 111. Upon arrival of the Content SC(s) 630 (step 608), the End-User Device(s) 109 decrypts the Content 113 using the Symmetric Key 623 (step 609), and passes the Content 113 and the Transaction Data 642 to the other layers for license watermarking, copy/play coding, scrambling, and further Content 113 processing as described previously for FIG. 5."

Applicant submits Hurtado et al. teaches that the separate entities of the Content SC and the License SC are not combined. Specifically, the License SC is not stored in the Content SC as taught in the specification and claims of Story et al. In fact, Hurtado et al. teaches that "upon arrival" of the Content SC, the end user device decrypts the content.

It was noted above that the storage of the digital license into the digital content was so important to Story et al., that it was not only recited multiple times in the specification, but it was also placed in every independent claim of the Story et al. invention. Applicant submits that the addition of Hurtado et al., with its separate license and digital content aspect, into the invention of Story et al. would change the principle of operation of Story et al. because it changes the way the end user device of Story et al. has to store and use digital content and a digital license.

Hurtado et al. fails to teach the storage of one or multiple licenses and the digital content in playback devices as in Story et al. In fact, Hurtado et al. keeps the Content SC and the License SC separate. As mentioned above, the storage of multiple licenses with the digital data is also an important operational principle of Story et al. that is not accommodated by the architecture of Hurtado et al.

MPEP §2143.01 Part VI states that a proposed modification cannot change the principle of operation of a reference in a 35 U.S.C. §103 rejection. Specifically, Part VI states: "If the proposed modification or combination of the prior art would change the principle of operation of the prior art being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious."

Since the prior art being modified is Story et al., and the modification by Hurtado et al. changes the principle of operation of Story et al., then the combination of Hurtado et al. with Story et al. cannot be a viable combination for purposes of establishing a prima facie case of obviousness under 35 U.S.C. §103(a). Specifically, the architecture teaching of Hurtado et al. cannot store the license into the digital content as required by Story et al. Accordingly, the addition of Hurtado et al. to Story et al. impermissibly changes the principle of operation of Story et al. The combination of Story et al. with Hurtado et al. is sufficient to dramatically change the principle of operation of Story et al. and render the present 35 U.S.C. §103 (a) rejection impermissible according to MPEP §2143.01 Part VI. The addition of other references, such as Benson et al. and Biddle et al. does not diminish the impermissible effect of Hurtado et al. in changing the principle of operation of Story et al.

Accordingly, Applicant respectfully submits that the 35 U.S. C. §103 (a) rejection does not represent a valid prima facie case of obviousness. Applicant submits that this applies to the 35 U.S.C. §103 (a) rejection of independent Claims 1, 12, 17 and 24 and their respective dependent claims. The use of Story et al. and Hurtado et al. is impermissible according to MPEP §2143.01 Part VI. Thus, Claims 1, 5, 8, 16-17, 23-24 and 26 patentably define over the cited art.

Claims 2-4, 6-7, 9-15, 18-22 and 25 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Story, Jr. et al. in view of Benson et al. and further in view of Yang et al. (Publ. No. US 2002/0194008 A1) and Hurtado et al.

Applicants respectfully submit that Claims 2-4, 6-7, 9-11, 18-22 and 25 are allowable as depending from allowable Claims 1, 17 and 24, which patentably defines over the cited art as discussed above.

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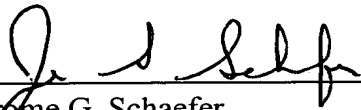
PATENT  
REPLY FILED UNDER EXPEDITED  
PROCEDURE PURSUANT TO  
37 CFR § 1.116

**Conclusion**

Applicant respectfully requests reconsideration of all pending claims in light of the arguments above. Applicant respectfully requests a Notice of Allowance for all pending claims as they patentably define over the cited art. At a minimum, Applicant respectfully requests reconsideration of the finality of the present office action based on the argument that a valid prima facie case of obviousness was not made in either the present Office Action or the prior non-final Office Action.

Respectfully Submitted,

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